Annex to the letter dated 2 February 2009 from the Chargé d'affaires a.i. of the Permanent Mission of Switzerland to the United Nations addressed to the Chairman of the Committee

Report prepared by Switzerland pursuant to Security Council resolution 1857 (2008)

By paragraph 7 of its resolution 1857 (2008), the United Nations Security Council called upon all States to report to the Committee established pursuant to resolution 1533 (2004) on the actions they have taken to implement the measures imposed by paragraphs 1 to 5 of the resolution.

Switzerland is implementing United Nations sanctions against the Democratic Republic of the Congo by means of the Federal Council (Swiss Government) Order instituting measures against the Democratic Republic of the Congo (hereinafter "the Order"). The Federal Act of 22 March 2002 on the implementation of international sanctions provides the legal basis for the Order, which entered into force on 23 June 2005.

Paragraph 1

Article 1 of the Order implements the arms embargo provided for in paragraph 1 of resolution 1857 (2008). In particular, the article prohibits all forms of assistance relating to military activities in the Democratic Republic of the Congo.

Paragraph 2

This paragraph concerns the Governments of the Great Lakes region.

Paragraphs 3 to 5

Article 2 of the Order provides for a freeze on the assets and financial resources belonging to or under the control of the persons, companies and entities cited in the annex to the Order. The making available of assets and financial resources is also prohibited. In accordance with article 4, the natural persons cited in the annex are prohibited from entering or transiting through Switzerland.

The annex to the Order lists the persons and entities designated by the Committee. At present the annex contains the names of 16 natural persons, six companies (including CAGL and GLBC) and one organization. The annex was last updated on 16 January 2009, pursuant to the amendments issued by the Committee on 19 December 2008.

Lastly, with regard to paragraph 15 of resolution 1857 (2008), Switzerland has posted on the Internet, for the attention of Swiss economic actors, recommendations intended to avoid any violation of the sanctions in connection with the purchase of, trade in or processing of minerals originating in the Democratic Republic of the Congo. For information, these recommendations are annexed to this report. In addition, the competent authorities have brought them directly to the attention of precious metal refineries on Swiss territory and of associations representing Swiss workers involved in the processing of and trade in minerals.

Enclosure

Recommendations intended to avoid the violation of sanctions in the purchase of, trade in or processing of minerals originating in the Democratic Republic of the Congo

15 January 2009

The Order of 22 June 2005 instituting measures against the Democratic Republic of the Congo (RS 946.231.12, hereinafter "the Order") implements United Nations Security Council sanctions. Article 1, paragraph 2, of the Order prohibits all forms of assistance relating to military activities in the Democratic Republic of the Congo.

The United Nations Group of Experts entrusted with monitoring sanctions against the Democratic Republic of the Congo states in its reports (http://www.un.org/sc/committees/1533/egroup) that armed groups present in the eastern part of the Democratic Republic of the Congo finance their activities through the sale of or taxation on minerals (e.g. coltan, gold, cassiterite, wolframite).

On 22 December 2008 the Security Council decided, in paragraph 4 (g) of its resolution 1857 (2008), that financial sanctions and travel restrictions should apply to persons and entities "supporting the illegal armed groups in the eastern part of the Democratic Republic of the Congo through illicit trade of natural resources".

In accordance with paragraph 15 of resolution 1857 (2008), the State Secretariat for Economic Affairs (SECO) recommends, regarding the purchase of, trade in and processing of mineral products originating in the Democratic Republic of the Congo, that due care be taken with regard to the suppliers and the origin of these products. Companies may thereby avoid violating article 1, paragraph 2, of the Order and being the subject of financial sanctions and travel restrictions imposed by the United Nations Security Council.

The Group of Experts recommends the following procedure to ensure compliance with the duty of due diligence (S/2008/43, para. 85, 13 February 2008):

1. Before purchase, buyers must determine exactly which deposits the minerals for sale come from;

2. They should verify whether the mines in question are controlled or taxed by illegal armed groups;

3. They should refuse purchase if they know or suspect that the minerals come from deposits controlled or taxed by armed militias or if they know or suspect that the minerals have been taxed by illegal armed groups during transit to *comptoirs* (buying houses).

For further information, please do not hesitate to contact SECO, Sanctions Unit, Effingerstrasse 27, 2003 Bern; tel: 031 324 08 12; fax: 031 323 51 10; sanctions@seco.admin.ch.